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LETTER DATED 5 MAY 1999 FROM THE PERMANENT REPRESENTATIVE OF THE SUDAN TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

1. On instructions from my Government, I have the honour to transmit to you herewith the text of a release issued by Akin, Gump, Strauss, Hauer & Feld, L.L.P., attorneys at law in Washington, D.C., concerning the decision of the United States Department of Justice and the United States Treasury to unfreeze the accounts of businessman Salah Idris, owner of the Shifa pharmaceutical plant in the Sudan destroyed by the United States on 20 August 1998 acting on the basis of false allegations (see annex I).

2. The release states that the United States Department of Justice has informed attorneys for the owner of the Shifa pharmaceutical plant that the Office of Foreign Assets Control (OFAC) has ordered that the block placed on his bank accounts in the United States be lifted immediately. It goes on to say that the order was issued on the same day that the Government was required to serve its answer in the civil suit filed by Mr. Idris on 26 February 1999 against OFAC.

3. The release explains that OFAC is the unit within the United States Department of the Treasury charged with enforcement of anti-terrorism sanctions and that the United States Government had portrayed Mr. Idris as an associate of Osama bin Laden and a supporter of international terrorism. Although the plant's owner had never been designated a terrorist or otherwise associated with terrorism, OFAC and the Department of the Treasury had nevertheless maintained a block on his bank accounts for more than eight months.

4. When, according to the release, the Government failed to answer a legal challenge to its action freezing Mr. Idris's accounts, it chose not to make any attempt to justify its actions against him. Instead, the unblocking of Mr. Idris's accounts by the United States effectively removes any suggestion that Mr. Idris has at any time maintained a relationship with Osama bin Laden or any terrorist group or organization.

5. I also transmit to you herewith the text of an article by the Washington correspondent of the British newspaper The Independent that was published in its issue for 4 May 1999 under the headline "US admits Sudan bombing mistake" (see annex II).

6. The article states that this embarrassing reversal means that the United States has virtually no evidence to support its claim that the missile attack was a strike against terrorism. It goes on to say that the affair is already the subject of congressional inquiries and may result in the departure of some senior White House officials.

7. Finally, I am also forwarding to you the text of an article from The Washington Times for 5 May 1999 (see annex III) quoting the remarks of Mr. George Salem, one of the attorneys for the plant's owner. Mr. Salem says that the decision to bomb the plant was "based on very circumstantial evidence, all of which we have been able to refute". He added: "But I am concerned about the awesome power of a few individuals to make these kinds of decisions in a vacuum. ... Because of the unique circumstances of the White House at the time, which was under political siege, hawks were able to convince otherwise cautious people to act".

8. It is of the utmost importance for us to remind the distinguished members of the Council that ever since the letter dated 21 August 1998 from the Minister of State at the Ministry of Foreign Affairs of the Sudan addressed to the President of the Council (S/1998/786, annex), the Sudan has repeatedly assured the Council that the pretexts given by the United States for the bombing of the Shifa plant were flimsy, unsupported by any material evidence and based on misleading intelligence, that the claims made by the United States that the plant was owned by Osama bin Laden and the allegations concerning its products were completely devoid of truth and that the United States had no supporting evidence for such charges and lacked the minimum requirements for proof.

9. As the members of the Council will recall, the United States addressed a letter to the President of the Council on 20 August 1998 (S/1998/780), the same day the Shifa plant was attacked, seeking to justify its wanton aggression and claiming that the attack had taken place in exercise of the right to self-defence in accordance with Article 51 of the Charter of the United Nations. The letter went on to say that the Government of the United States had obtained convincing information from a variety of reliable sources that the Osama bin Laden network included the facility that had been attacked in the Sudan. This invalidates the claim that the Government of the United States was exercising its right to self-defence and confirms that it was acting on the basis of false information.

10. Now, in a manner entirely incompatible with the foregoing and with the statements from the United States that we have been providing to the Council since August 1998, there comes today, Wednesday, 5 May 1999, a statement by the spokesman for the United States Department of State denying that the decision of the United States Administration to unfreeze the plant owner's accounts means that it has begun to doubt the reasons that impelled it to destroy the plant. The spokesman went on to say that that matter was unrelated to the decision to attack the Shifa plant; that, in fact, what they did to the plant was not based on its being owned by the man in question; and that he thought they had made it clear at the time that they had only found out that he (i.e. Mr. Salah Idris) owned the plant after the strike had taken place.

11. While it appreciates the wise decision taken by the United States agencies concerned to set matters right, the Sudan affirms that this decision has provided cogent and irrefutable proof of what the Sudan has for long been saying and communicating to the Security Council on this issue.

12. I should be grateful if you would have this letter and its annexes circulated as a document of the Security Council.

(Signed) Elfatih Mohamed Ahmed ERWA
Permanent Representative

Annex I

AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P
ATTORNEYS AT LAW

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TREASURY DEPARTMENT UNFREEZES BANK ACCOUNTS OF SUDAN PHARMACEUTICAL PLANT OWNER

FOR IMMEDIATE RELEASE:
May 3, 1999

Contact: Kristen M. White
(202) 887-4536

(Washington, D.C.) -- The Department of Justice today informed attorneys for Saudi businessman Saleh Idris, owner of the pharmaceutical plant in Sudan that was destroyed by U.S cruise missiles on August 20, 1998, that the Office of Foreign Assets Control ("OFAC") has ordered that the block placed on his U.S. bank accounts be lifted immediately.

The order was issued on the same day that the Government was required to serve its answer in the civil suit filed by Idris on February 26, 1999, against OFAC and its Director, Richard Newcombe. That action, filed in the U.S. District Court for the District of Columbia, demanded the release of more than $24 million in bank deposits at the Bank of America that had been frozen by order of OFAC, the unit within the Department of the Treasury charged with enforcement of anti-terrorism sanctions. A companion case was filed at the same time by Idris against Bank of America in the U.S. District Court for the Northern District of California in San Francisco. With the full and unconditional release of Idris' bank accounts, both actions will now be voluntarily dismissed.

In the days following the missile strike on his pharmaceutical factory, Mr. Idris, a Saudi banker and international businessman, was portrayed by the Government as an associate of Osama bin Laden and a supporter of terrorism. Although Saleh Idris was never designated a terrorist or otherwise associated with terrorism, OFAC and the Department of the Treasury maintained a block on his bank accounts for more than eight months. Faced with the need to answer a legal challenge to its action freezing Mr. Idris' Bank of America accounts, the Government chose not to make any attempt to justify its actions against Mr. Idris. Instead, today's order lifting all restrictions on the Bank of America accounts also effectively removes any suggestion that Mr. Idris has, at any time, maintained a relationship with Osama bin Ladin or any terrorist group or organization.

In acknowledging today's action, Mr. Idris said, ". . . n grateful that the United States has taken the honorable course and has corrected, in part, the serious harm that has been done to my family and our good name. While I understand that the United States must wage a vigorous fight against terrorism, in this case a grave error has been made. Today's action represents an important first step in the process of correcting this mistake."

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US admits Sudan bombing mistake

[Latest News From Sudan At Sudan.Net]

News Article by The Independent on May 04, 1999 at 13:53:24:

US admits Sudan bombing mistake

By Andrew Marshall in Washington
The Independent

In an admission that last year's missile attack on a factory in Sudan was a mistake, the US has cleared the man who owned the plant of any links to terrorism.

The embarrassing reversal means that the US has virtually no evidence to support its claim that the missile attack was a strike against terrorism. Most of those who have investigated the case have concluded that the US acted on faulty intelligence and that key procedures were overriden by officials in the White House. The affair is already the subject of congressional inquiries and may result in the departure of some senior White House officials.

America launched cruise missiles against targets in Afghanistan and Sudan in August last year after bomb attacks on its embassies in Nairobi and Dar es Salaam. It blamed the bombings on Osama bin Laden, the former Saudi who it accuses of backing many attacks on US targets. It said that the pharmaceutical plant in Khartoum was linked to Mr bin Laden and was used to produce chemical weapons.

The US was forced to admit within hours that the plant was not a Sudanese government facility, but a private factory belonging to Salah Idris, a Saudi businessman. But it then said that Mr Idris was himself linked to terrorism and to Mr bin Laden. It froze all of his bank accounts, including money held at Bank of America in London. Yesterday, with no public announcement or fanfare, it unfroze the accounts, admitting that no evidence existed to accuse Mr Idris.

Mr Idris hired Akin, Gump Strauss, Hauer & Feld, a top Washington law firm, to press his case. He sued Bank of

America and the US government, and hired Kroll Associates, the top private investigators, to clear him. Kroll found no evidence of any links between Mr Idris and Mr bin Laden. Yesterday, the US was due to reply to Mr Idris's law suits, but instead chose to retreat and unfreeze the accounts. "Today's order lifting all restrictions on the Bank of America accounts also effectively removes any suggestion that Mr Idris has, at any time, maintained a relationship with Osama bin Laden or any terrorist group or organisation," said Akin, Gump in a statement.

Spokesmen for Mr Idris said they were "jubilant" but that there could still be a law suit to recover compensation.

"I am grateful that the United States has taken the honourable course and has corrected, in part, the serious harm that has been done to my family and our good name," said Mr Idris yesterday from Sudan. "While I understand that the United States must wage a vigorous fight against terrorism, in this case a grave error has been made."

Britain never supported the idea that Mr Idris had links to Mr bin Laden, and he was permitted to enter and leave London (where he maintains a flat) freely.

The widespread view outside the US was that the White House had insufficient evidence for the attack.

Annex III

The Washington Times

Published in Washington, D.C. 5am -- May 5, 1999 www.washtimes.com

U.S. OKs payout for Sudan bombing 'mistake'

By Jerry Seper
THE WASHINGTON TIMES

The Clinton administration will not challenge a lawsuit filed by a Saudi businessman who said the bombing last year of his pharmaceutical plant in Sudan was a "mistake" based on faulty intelligence data.

The administration also agreed to release $24 million in assets that the businessman, Saleh Idris, had deposited in U.S. banks.

The Aug. 20, 1998, cruise missile attack, which the White House claimed was in retaliation for terrorist attacks on two U.S. embassies in Africa, came three days after President Clinton's appearance before a federal grand jury investigating his relationship with Monica Lewinsky.

Hours after his grand jury testimony, Mr. Clinton

-- Continued from Front Page --

made a dramatic address to the nation admitting an "inappropriate relationship" with the former White House intern.

The White House insisted at the time it bombed the plant, located near Khartoum, Sudan, because it was tied to international terrorist Osama bin Laden and was producing precursors to VX nerve gas. Sudan countered that the plant manufactured only pharmaceuticals and offered inspection tours for U.S. officials and reporters.

Facing a deadline to respond to the suit, filed Feb. 26, the Justice Department told Mr. Idris' attorneys on Monday that the administration had ordered that the freeze placed on his U.S. bank accounts be lifted immediately.

An administration official said yesterday the plant was targeted based on "physical and circumstantial evidence" and those involved were "totally confident" the information was correct. The official, who asked not to be identified, said the decision not to pursue the case was based on concerns that classified intelligence data and methods used to gather it would have been compromised in a court proceeding.

"We have a number of concerns about the actions and the background of Mr. Idris," the official said. "He has associated himself with people that I think that every American would find reprehensible. And we will continue to protect our national security."

But Mr. Idris' attorney, George Salem, said the government backed out because it could not prove its case.

"Faced with the need to answer a legal challenge to its actions freezing Mr. Idris' . . . accounts, the government chose not to make any attempt to justify its actions against Mr. Idris," he said. "Instead, today's order . . . effectively removes any suggestion that Mr. Idris has, at any time, maintained a relationship with Osama bin Laden or any terrorist group or organization."

White House spokesman James Kennedy did not return calls for comment.

In the suit, Mr. Idris said the government froze deposits he had at the Bank of America despite having no evidence to support accusations that the plant was tied to bin Laden or had produced precursors to nerve gas. The suit said the government wrongly portrayed Mr. Idris as an associate of bin Laden's and a supporter of terrorism.

Bin Laden is the exiled Saudi Arabian who has vowed a reign of terror to rid the Persian Gulf region of Americans.

"I am grateful that the United States has taken the honorable course and has corrected, in part, the serious harm that has been done to my family and our good name," Mr. Idris said in a statement, adding that while he understood the United States' desire to "wage a vigorous fight against terrorism," it had made a "mistake" in targeting his plant.

Mr. Salem, partner at the Washington law firm of Akin, Gump, Strauss, Hauer & Feld, said the decision to bomb the plant was "based on very circumstantial evidence, all of which we have been able to refute."

He said the United States had poor intelligence from Sudan and relied on operatives from other countries, whose data was wrong.

"Fortunately, we live in a country where we have a system of justice that requires that people produce evidence when someone is accused of being a terrorist," Mr. Salem said.

"But I am concerned about the awesome power of a few individuals to make these kinds of decisions in a vacuum," he said. "Because of the unique circumstances of the White House at the time, which was under political siege, hawks were able to convince otherwise cautious people to act."

After backing down on claims that the plant produced precursors to VX nerve gas and was connected to bin Laden, Mr. Clinton's aides later said precursors were found in soil tested at the site. But Mr. Salem noted that independent experts hired to conduct chemical examinations of the soil at the plant found no trace of substances used in chemical weapons.

U.S. cruise missiles launched from Navy ships struck the Sudanese plant and also hit terrorist training camps in Afghanistan. The attacks were the most significant military retaliation for terrorism since President Reagan sent warplanes against Libya in response to the 1986 Berlin disco bombing.

In his suit, filed in U.S. District Court in Washington, Mr. Idris demanded the release of $24 million in deposits that had been frozen by the Treasury Department's Office of Foreign Assets Control. He filed a similar suit in U.S. District Court in San Francisco against the Bank of America.

With the full and unconditional release of Mr. Idris' bank accounts, Mr. Salem said both actions would be dismissed.

Two days before the Sudan attack, independent counsel Kenneth W. Starr had pressed his case against Mr. Clinton, calling Miss Lewinsky for a return grand jury appearance to testify on gifts from Mr. Clinton that later were retrieved and to further clarify specifics of what he called an inappropriate sexual relationship. Mr. Starr also was considering subpoenaing Mr. Clinton for questions he refused to answer before the grand jury.